

RESOLUTION NO. 4 5 8 1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
AUBURN, WASHINGTON, AUTHORIZING THE MAYOR
AND CITY CLERK TO EXECUTE A LEASE AGREEMENT
BETWEEN THE CITY OF AUBURN, WASHINGTON AND
KING COUNTY RURAL LIBRARY DISTRICT, DOING
BUSINESS AS KING COUNTY LIBRARY SYSTEM

WHEREAS, pursuant to the Annexation Agreement, the City of Auburn
(herein after referred to as "City") provided the land for and constructed a library
facility on the Land hereinafter described, which King County Library System
(herein after referred to as "KCLS") has operated for the benefit of residents of
the city and other patrons of KCLS since completion of construction in 1998;
and

WHEREAS, the City and KCLS desire that KCLS undertake, at its sole
cost and expense, an expansion to the existing library facility, and that KCLS
continue to operate such expanded library facility for the benefit of the residents
of the City and other patrons of KCLS, for so long as this Lease remains in
effect.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN,
KING COUNTY, WASHINGTON, HEREBY RESOLVES as follows:

Section 1. Purpose. That the City Council of the City of Auburn approves the Lease Agreement between the City of Auburn and King County Library System in substantial conformity with the agreement attached hereto as Exhibit "A" and incorporated herein by this reference.

Section 2. That the Mayor of the City of Auburn, and the City Clerk are authorized to execute the Lease Agreement between the City of Auburn and King County Library System.

Section 3. Implementation. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 4. Effective date. This resolution shall be in full force and effect upon passage and signatures hereon.

Dated and Signed this _____ day of _____, 2010.

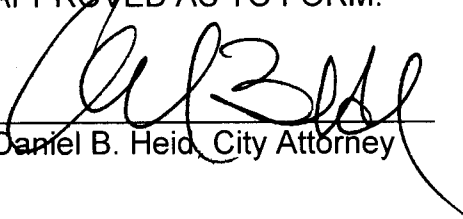
CITY OF AUBURN

PETER B. LEWIS
MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney

LEASE

THIS LEASE is made as of the ____ day of _____, 2010, by and between the **CITY OF AUBURN, WASHINGTON** and **KING COUNTY RURAL LIBRARY DISTRICT**, doing business as **KING COUNTY LIBRARY SYSTEM**. Capitalized terms used herein have the meanings set forth in Section 1 below.

RECITALS

WHEREAS, pursuant to the Annexation Agreement, the City provided the land for and constructed a library facility on the Land hereinafter described, which KCLS has operated for the benefit of residents of the City and other patrons of KCLS since completion of construction in 1998;

WHEREAS, the City and KCLS desire that KCLS undertake, at its sole cost and expense, an expansion to the existing library facility, and that KCLS continue to operate such expanded library facility for the benefit of the residents of the City and other patrons of KCLS, for so long as this Lease remains in effect;

NOW THEREFORE the City and KCLS agree as follows:

1. Definitions. Capitalized terms used herein shall have the meaning set forth below:

“Annexation Agreement” means the Agreement for Library Services Pending Annexation of the City of Auburn into the King County Rural Library District dated November 26, 1996, by and between the City and KCLS.

“City” means the City of Auburn, Washington.

“Entryway” means the entryway from Auburn Way South to the Parking Stalls as identified on Exhibit A attached hereto and incorporated herein by this reference (“Exhibit A”)

“Improvements” means all buildings, structures, and improvements now existing or hereafter constructed upon the Land, and any restorations thereof, additions to, or replacements thereof, but excluding therefrom KCLS’s Trade Fixtures.

“KCLS” means the King County Rural Library District, doing business as King County Library System.

“KCLS’s Trade Fixtures” means all personal property of whatsoever nature owned, leased or used by KCLS in the operation of a library on the Premises, and all furnishings, equipment and fixtures within the Improvements, regardless of whether affixed to the Land or Improvements, including without limitation the following:

- (a) Office equipment of every nature whatsoever, including without limitation, computers, copy and facsimile machines, and telephone equipment;

(b) Book and media storage and display fixtures, and library furniture, including, tables, chairs, book shelves, counters, desks, metal floor racks, and partitions with movable studs;

(c) Office furniture, including cabinets, chairs, desks, files, and safes;

(d) Removable walls and partitions extending from floor to ceiling but not an integral part of slab at top and bottom;

(e) Miscellaneous items such as alarm systems, scales, wall clocks, lockers and water coolers, and steel hand trucks, but not including heating or air conditioning equipment, electrical wiring and conduits, air ducts, and plumbing fixtures and pipes, carpeting, carpet liners, padding, striping, and rugs, or lighting fixtures;

(f) Signage and art work, including bulletin boards, pegboards, pictures and decorative art placed on walls, sign holders, and ornamental fixtures on walls;

(g) Counter display fixtures, including sign holders, stands, mirrors, and table dividers and any and all renewals, replacements of, additions to, and substitutions for the above-enumerated items.

“Land” means that certain parcel of real property described in Exhibit B, attached hereto and incorporated herein by this reference, including all easements, rights, rights-of-way, and licenses appurtenant thereto, but excluding the Improvements and KCLS’s Trade Fixtures.

“Parking Stalls” means the parking stalls currently located on the Land more particularly described in Exhibit A; “KCLS Parking Stalls” shall mean sixty (60) stalls identified in Exhibit A for use by KCLS in connection with the operation a public library on the Premises in accordance with this Lease; and “City Parking Stalls shall mean any remaining stalls identified in Exhibit A for use by the City in connection with the City’s operation of a public park on property adjacent to the Premises.

“Premises” means the Land, the Improvements, the Entryway and the KCLS Parking Stalls.

2. Lease of Premises; Term. Subject to the City’s rights and obligations with respect to the City Parking Stalls in accordance with Section 20 of this Lease, the City hereby grants to KCLS, exclusive rights to possession and use of the Premises for so long as KCLS continues to operate a public library on the Premises in accordance with the terms of this Lease. KCLS represents that the Premises, the sidewalks and structures adjoining the same, sub-surface conditions, and the present tenancies, uses and non-uses thereof, have been examined by KCLS and KCLS’s agents, and that KCLS accepts the same, without recourse to the City, in the condition or state in which they or any of them now are, without representation or warranty, expressed or implied in fact or by law, as to the nature, condition, or usability thereof, or as to the use or uses to which the Premises or any part thereof may be put, or as to the prospective income from, and expense of operation of, the Premises.

3. Rent. KCLS hereby agrees to pay and the City hereby agrees to accept as rent hereunder, from the date of this Lease until terminated, the sum of one dollar (\$1.00) per year payable on or about the 15th day of January; provided that in the event of failure of KCLS to timely make any such rental payment, the sole recourse of the City shall be to specific enforcement of such obligation.

4. Title to Improvements and Trade Fixtures.

(a) Subject to the City's rights and obligations with respect the City Parking Stalls in accordance with Section 20 of this Lease, KCLS shall be the sole owner of all Improvements now existing or hereafter constructed on the Premises for so long as this Lease remains in effect. Upon termination of this Lease, all right, title, and interest of KCLS, or any entity or person acquiring any interest through KCLS in and to the Improvements then in existence, if any, shall cease and terminate, and title to such Improvements shall automatically vest in and the Premises shall be surrendered to the City, unless the City provides written notice to the KCLS, within one hundred twenty (120) days after the termination date, that it has determined to reject title to the Improvements and to require KCLS to remove the Improvements in accordance with Section 4(b) of this Lease. Unless the City so notifies KCLS of its determination to reject title to the Improvements, no deed or other instrument shall be necessary to confirm the vesting in the City of title to the Improvements upon the termination of this Lease; however, upon request of the City, KCLS shall execute, acknowledge, and deliver to the City a quitclaim deed confirming transfer, without warranty, of all of KCLS's right, title, and interest in or to the Premises and the Improvements then existing. The City shall pay all costs of preparing and recording such quitclaim deed, including without limitation, transfer taxes, if any.

(b) The City shall have the right, in its sole discretion, to reject title to the Improvements upon termination of this Lease, by written notice to KCLS within one hundred twenty (120) days after the date of termination. If the City so notifies KCLS of its determination to reject title to the Improvements upon termination of this Lease, KCLS, at its own expense, shall remove all Improvements and KCLS's Trade Fixtures from the Land and shall return the Land to the City free and clear of all Improvements, with the exception of underground utilities which shall be properly capped. KCLS shall apply for permits to accomplish the removal of the Improvements no later than one hundred eighty (180) days after the date of receipt of written notice from the City of its determination to reject title to the Improvements, and shall diligently work to complete such removal upon receipt of necessary permits.

(c) Title to KCLS's Trade Fixtures are and shall remain the sole and exclusive property of KCLS, during the term of this Lease and upon its termination, and the City shall have no rights in KCLS's Trade Fixtures unless KCLS determines, in its sole discretion, to sell or gift all or any portion of such property to the City. The City acknowledges and understands that unless conveyed by gift or sale by KCLS to the City, the City shall have no right, title, or interest in KCLS's Trade Fixtures, including, without limitation, any option to purchase such property, and KCLS shall have the absolute right to encumber, sell, or hypothecate KCLS's Trade Fixtures, to remove them from the Premises, or to otherwise deal with all or any portion of such KCLS's Trade Fixtures as it may determine in its sole discretion. The City shall not be obligated to accept title to any of the Trade Fixtures and unless the City otherwise agrees, in its sole discretion, KCLS shall remove all KCLS's

Trade Fixtures from the Premises within one hundred twenty (120) days after termination of this Lease.

5. Taxes, Assessments and Utilities.

(a) Subject to the City's rights and obligations with respect the City Parking Stalls in accordance with Section 20 of this Lease, KCLS shall, at its own cost and expense, bear, pay, and discharge prior to delinquency, all real estate taxes, assessments, sewer rents, water rents and charges, duties, impositions, license and permit fees, charges for public utilities of any kind, payments and other charges of every kind and nature whatsoever, ordinary or extraordinary, foreseen or unforeseen, general or special (all of which are hereinafter collectively referred to as "**Impositions**"), which shall, pursuant to present or future law or otherwise, prior to or during the term hereby granted, have been or be levied, charged, assessed, or imposed upon, or grown or become due and payable out of or for, or become or have become a lien on the Premises; it being the intention of the parties hereto that the rents reserved herein shall be received and enjoyed by the City as a net sum free from all of such Impositions. Impositions shall be apportioned between KCLS and the City as of the date of termination of this Lease and shall be paid within sixty (60) days after such termination, but shall not be apportioned at the commencement of the term of this Lease.

(b) KCLS shall pay all interest and penalties imposed upon the late payment of any Impositions that KCLS is obligated to pay hereunder. If KCLS shall fail, for thirty (30) days after notice and demand given to KCLS, to pay any Imposition on or before the last day upon which the same may be paid without the imposition of interest or penalties for the late payment thereof, then the City may pay the same with all interest and penalties lawfully imposed upon the late payment thereof, and the amounts so paid by the City shall thereupon be and become immediately due and payable by KCLS to the City hereunder.

(c) At its own cost and expense, KCLS may, if it shall in good faith so desire, contest the validity or amount of any Imposition, in which event KCLS may defer the payment thereof for such period as such contest shall be actively prosecuted and shall be pending undetermined, so long as such proceedings and any appeals shall operate to legally prevent the collection of such payments and the sale of the Premises to satisfy any lien arising out of the non-payment of the same. The City shall execute and deliver to KCLS whatever documents may be necessary or proper to permit KCLS to so contest any such Imposition or which may be necessary to secure payment of any refund which may result from any such proceedings.

6. Maintenance and Repairs. Subject to the City's rights and obligations with respect the City Parking Stalls in accordance with Section 20 of this Lease, at all times during the term of this Lease, KCLS shall, at its own cost and expense, keep the Premises, in good order, condition, and repair, ordinary wear and tear excepted, and in such condition as may be required by applicable law and by the terms of the insurance policies required to be maintained by KCLS pursuant to this Lease, whether or not such repair shall be interior or exterior, and whether or not such repair shall be of a structural nature, and whether or not the same can be said to be within the present contemplation of the parties hereto. The obligation of KCLS to maintain and repair the Premises shall specifically include, but shall not be limited to maintenance of the KCLS Parking Stalls by sweeping, snow and ice removal, repaving, re-striping and re-asphalting as KCLS reasonably determines to be necessary.

7. Compliance with Law.

(a) Subject to the City's rights and obligations with respect the City Parking Stalls in accordance with Section 20 of this Lease, at all times during the term of this Lease, KCLS shall, at its own cost and expense, perform and comply with all laws, rules, orders, ordinances, regulations, and requirements now or hereafter enacted or promulgated, of every sovereign, municipal or other governmental authority having jurisdiction over the Premises, and of any agency thereof, relating to the Premises now or hereafter located thereon, and equipment now or hereafter located therein, whether or not such laws, rules, orders, ordinances, regulations, or requirements so involved shall necessitate structural changes, improvements, interference with use and enjoyment of the Premises, replacements, or repairs, extraordinary as well as ordinary; and KCLS shall so perform and comply, whether or not such laws, rules, orders, ordinances, regulations, or requirements shall now exist or shall hereafter be enacted or promulgated, and whether or not such laws, rules, orders, ordinances, regulations, or requirements can be said to be within the present contemplation of the parties hereto.

(b) KCLS shall have the right, provided it does so with due diligence and dispatch, to contest by appropriate legal proceedings, without cost or expense to the City, the validity of any law, rule, order, ordinance, regulation, or requirement of the nature hereinabove referred to in this Section 7. KCLS may postpone compliance with such law, rule, order, ordinance, regulation, or requirement until the final determination of such proceedings, only so long as such postponement of compliance will not subject the City to any criminal prosecution, or any other liability of any kind against the reversion of the Premises thereon which may arise by reason of postponement or failure of compliance with such law, rule, order, ordinance, regulation, or requirement. No provisions of this Lease shall be construed so as to permit KCLS to postpone compliance with such law, rule, order, ordinance, regulation, or requirement if any sovereign, municipal, or other governmental authority shall threaten to carry out any work to comply with the same or to foreclose or sell any lien affecting all or any part of the Premises which shall have arisen by reason of such postponement or failure of compliance.

8. Alterations.

(a) KCLS shall have the right, at KCLS's expense, to expand the Improvements now or hereafter located on the Land, provided that the plans for any such expansion are approved by the City's Office of Facility Management prior to the commencement of construction; it being understood and agreed that approval by the City's Office of Facility Management of plans for expansion shall not be unreasonably withheld or delayed.

(b) In addition to rights under Section 8(a) hereof, KCLS shall have the right from time to time during the term of this Lease to make any other alteration or modification to the Improvements now or hereafter located on the Land as it determines; provided that, except with the City's consent (which shall not be unreasonably withheld): (i) the Premises shall be used for the same general use after said alterations, or modifications, (ii) said alterations or modifications shall not lessen the market value or reduce the square footage of the Improvements.

(c) It is expressly understood that the City's approval of plans or other required consent to the alterations, expansions, or modifications of the Improvements may be conditioned upon the furnishing by KCLS of waivers of mechanics' and materialmen's liens from all persons furnishing materials or labor. Further, in the event that mitigation is required under the State Environmental Protection Act or the City's Critical Areas Ordinance, KCLS must negotiate with the City to identify potential property for the mitigation, or the work must happen on-site. KCLS is responsible for all costs and obligations of mitigation, including but not limited to costs to acquire property for mitigation if necessary.

(d) KCLS shall apply, at its sole cost, to the appropriate governmental authorities or third parties for, and shall diligently pursue and obtain all permits, licenses, permissions, consents, or approvals required by law in connection with the construction of any alterations, expansions or modifications to the Improvements. The City agrees to process applications for permits and approvals submitted to it by KCLS in accordance with its normal processes, reasonably and in good faith. However, KCLS acknowledges that the City has not made any representation or warranty with respect to KCLS's ability to obtain any permit or approval, or to meet any other requirements for development of the Premises for its purposes, and nothing in this Lease is intended or shall be construed to require that the City exercise its discretionary authority under its regulatory ordinances to further the plans of KCLS to expand, alter or modify the Improvements.

9. Use of Premises. Subject to the City's rights and obligations with respect the City Parking Stalls in accordance with Section 20 of this Lease, KCLS shall use the Premises for the purpose of operating and maintaining a public library and ancillary uses related to the operation of a public library as KCLS determines in its sole discretion. Any other use of the Premises by KCLS shall be subject to the prior written approval of the City and shall be subject to such terms and conditions as the City and KCLS may agree. KCLS will not use or keep or allow the Premises or any portion thereof, or any appurtenances thereto, to be used or occupied for any unlawful purpose or in violation of any certificate of occupancy, and will not suffer any act to be done or any condition to exist within the Premises or any portion thereof or in any Improvement thereon, or permit any article to be brought therein, which may be dangerous, unless safeguarded as required by law, or which may, under applicable law, constitute a nuisance, public or private, or which may make void or voidable any insurance in force with respect thereto.

10. Liens. KCLS shall at all times take such actions as are authorized by applicable law to protect the City against any loss, cost, fee, charge, expense, lien, or liability of any nature occurring or accruing by virtue of any such work, labor, service, or material performed or furnished for or to KCLS.

11. Net Lease. This is an absolute net lease and the City shall not be required to provide any services or do any act or thing with respect to the Premises or the appurtenances thereto, except as may be specifically provided herein, and the rent reserved herein shall be paid to the City without any claim on the part of KCLS for diminution, setoff, or abatement, and nothing shall suspend, abate, or reduce any rent to be paid hereunder, except as otherwise specifically provided in this Lease.

12. Insurance.

(a) KCLS shall at all times during the term of this Lease maintain insurance for property damage to the Premises similar to that which KCLS carries for its other public library facilities. The City shall at all times during the term of this Lease maintain insurance for property damage to the City Parking Stalls similar to that which the City carries for its other public parking facilities.

(b) KCLS shall at all times during the term of this Lease maintain liability insurance in the amount of at least two million dollars (\$2,000,000) per occurrence and five million dollars (\$5,000,000) in the aggregate, and shall cause the City to be made an additional insured on such insurance policy notwithstanding the existence of any other coverage available to the City. No less than once every ten years during the term of this Lease, KCLS and the City agree to review the coverage limits hereunder and adjust the coverage limits to insure that coverage remains adequate in light of inflation and any material change in the risk environment. KCLS's insurance coverage shall be primary insurance as related to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be considered excess of KCLS's insurance and shall not be subject to contribution with it.

(c) The City shall at all times during the term of this Lease maintain liability insurance in the amount of at least two million dollars (\$2,000,000) per occurrence and five million dollars (\$5,000,000) in the aggregate.

(d) No less than once every ten years during the term of this Lease, KCLS and the City agree to review the coverage limits hereunder and adjust the coverage limits to insure that coverage remains adequate in light of inflation and any material change in the risk environment.

13. Casualty. Subject to the City's rights and obligations with respect the City Parking Stalls in accordance with Section 20 of this Lease, if the Improvements are damaged or destroyed by fire or by any casualty such that they are no longer suitable for the provision of public library services without rebuilding or repair, KCLS shall within one hundred twenty (120) days advise the City of its determination whether it will rebuild and repair the Improvements and resume library services. If KCLS determines to rebuild and repair the premises and resume library services, KCLS shall promptly and diligently restore the Improvements at its own cost and expense to a condition as nearly as may be possible under the circumstances to those existing immediately prior to such fire or casualty and resume public library services at a level comparable to that prior to said casualty. In the event that (i) KCLS fails to advise the City within one hundred twenty (120) days following any fire or casualty causing a cessation of library services of its intent to repair and rebuild the Improvements and resume providing public library services, or (ii) KCLS fails to proceed promptly and diligently as circumstances may permit to rebuild and repair the Improvements and resume public library services after giving notice of its intention to do so, then, in either case, the City may terminate this Lease upon one hundred twenty (120) days' written notice to KCLS. The City shall not be entitled to any share of the proceeds of insurance maintained by KCLS on the Premises; however, in the event that this Lease is terminated by the City as the result of the determination by KCLS not to restore the Premises following damage or destruction thereof, upon the request of the City, KCLS agrees to pay the costs of demolishing and removing the Improvements from the Land.

14. Indemnification. To the extent permitted by law, KCLS shall defend, indemnify, and hold the City, its officers, officials, employees and volunteers harmless from and against any and all claims, suits, actions, or liabilities for injury or death of any person, or for loss or damage to property, which arise or relate to: (i) the use or occupancy or manner of use or occupancy of the Premises by KCLS or any person claiming under KCLS; (ii) any activity, work, or thing done or permitted by KCLS in or about the Premises; (iii) any breach by KCLS or its employees, agents, contractors or invitees of this Lease; and (iv) any injury, loss or damage to the person, property or business of KCLS, its employees, agents, or contractors or any invitees entering upon the Premises under the express or implied invitation of KCLS, except for injuries or damages as shall have been occasioned by the sole negligence of the City. If any action or proceeding is brought against the City or its employees or agents by reason of any such claim arising out of this Lease, KCLS, upon written notice from the City, will defend the same at KCLS's expense with counsel reasonably satisfactory to the City. KCLS and the City have specifically negotiated and to the extent permitted by law KCLS specifically waives any provisions of any industrial insurance act, including Title 51 of the Revised Code of Washington, or any other employee benefit act that might operate to release or immunize KCLS from its obligations under this Section 14.

15. Assignment; Subletting.

(a) KCLS may assign this Lease or any interest herein to a successor public entity formed through the reorganization of KCLS or to another governmental entity providing public library services. KCLS may sublet or license space in the Premises to a sublessee providing ancillary services related to the operation of a public library as determined by KCLS in its reasonable discretion, including, without limitation, provision of copying service to patrons and sale of used library materials. Any other assignment or sublease or license of the Premises and Improvements by KCLS shall be subject to the prior written approval of the City and shall be subject to such terms and conditions as the City, KCLS, and such assignee or sublessee may agree; provided, that on termination of this Lease any such assignment, sublease or license shall be terminated unless otherwise agreed in writing by both the City and the assignee or sublessee.

(b) The City shall notify KCLS in writing of any assignment, pending sale, transfer of the leased property.

16. Hazardous Materials. KCLS and the City each agree to keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any applicable federal, state, or local laws, ordinances or regulations relating to industrial hygiene or to the environmental conditions (Hazardous Materials Laws) on, under, about, or affecting the Premises. Neither KCLS nor the City shall use, generate, manufacture, store, or dispose of on, under or about the Premises or transport to or from the Premises any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or related materials, including without limitation any substances defined as or included in the definition of hazardous substances, hazardous wastes, hazardous materials, or toxic substances under any applicable federal or Washington state laws or regulations (collectively referred to hereinafter as "Hazardous Materials"). Subject to the City's rights and obligations with respect to the City Parking Stalls, KCLS shall, at its expense, take all remedial action(s) required by applicable Hazardous Materials Laws in response to the presence of any Hazardous Materials on, under, or about the Premises.

17. Default; Termination. The occurrence of any of the following events shall constitute a material default and breach of this Lease by KCLS:

(a) Any failure by KCLS to pay the Impositions required to be paid hereunder by KCLS where such failure continues for thirty (30) days after written notice thereof by the City to KCLS, subject to the right of KCLS to protest;

(b) There shall be filed by or against KCLS in any court or other tribunal pursuant to any statute or other rule of law, either of the United States or of any State or of any other authority now or hereafter exercising jurisdiction, a petition in bankruptcy or insolvency proceedings or for reorganization or for the appointment of a receiver or trustee of all or substantially all of KCLS's property, unless such petition be filed against KCLS and if in good faith KCLS shall promptly thereafter commence and diligently prosecute any and all proceedings appropriate to secure the dismissal of such petition, and such petition is dismissed within one hundred eighty (180) days or KCLS makes an assignment for the benefit of creditors;

(c) Any failure by KCLS to provide public library services where such failure continues for thirty (30) days after written notice thereof by the City to KCLS; provided, that, in the event of a fire or other casualty causing damage or destruction requiring cessation of library services, KCLS shall have ninety (90) days to advise the City notice of KCLS's intent to repair and rebuild the Improvements and resume providing public library services, and upon receipt of such notice the City shall not terminate this Lease so long as KCLS proceeds promptly and diligently as circumstances permit to rebuild, repair, and resume services; or

(d) Any other failure of the payment or performance by KCLS of its obligations hereunder, if such failure shall continue for more than sixty (60) days after written notice of default and demand for performance shall have been delivered by the City to KCLS; provided that, if in good faith KCLS undertakes reasonable action to cure such failure within such sixty (60) day period, such failure shall not ripen into an event of default unless and until such time as KCLS shall cease such reasonable action to cure.

In the event of any such default by KCLS, then in addition to any other remedies available to the City at law or in equity, the City shall have the option to terminate this Lease and all rights of KCLS hereunder immediately by written notice to KCLS.

18. Non-Waiver. No waiver by the City of any breach by KCLS of any term, covenant, condition, or agreement herein and no failure by the City to exercise any right or remedy in respect of any breach hereunder, shall constitute a waiver or relinquishment for the future of any such term, covenant, condition, or agreement or of any subsequent breach of any such term, covenant, condition, or agreement, nor bar any right or remedy of the City in respect of any such subsequent breach, nor shall the receipt of any rent, or any portion thereof, by the City, operate as a waiver of the rights of the City to enforce the payment of any other rent then or thereafter in default, or to terminate this Lease, or to recover the Premises, or to invoke any other appropriate remedy which the City may select as herein or by law provided.

19. Surrender.

(a) Upon termination of this Lease, KCLS shall surrender and deliver up the Premises into the possession and use of the City, without delay, without any payment or allowance whatever by the City on account of or for any Improvements erected or maintained on the Premises at the time of the surrender. The Improvements shall be delivered to the City in the condition such property is otherwise required to be maintained by the terms of this Lease.

(b) Upon termination of this Lease, KCLS's Trade Fixtures and any property belonging to any other occupant of space in the Premises shall be and remain the property of KCLS or such other occupant, as applicable, and KCLS shall have one hundred twenty days (120) after the termination of this Lease to remove the same. If KCLS fails to remove any such Trade Fixtures or other property within such period, the City may take whatever steps the City deems reasonable to immediately remove the same from the Premise and to sell or dispose of it, refunding any proceeds to KCLS minus any incurred City expenses up to a maximum of two thousand dollars (\$2,000) unless agreed otherwise in writing.

20. City's Rights and Obligations with Respect to City Parking Stalls. Notwithstanding any provision of this Lease to the contrary:

(a) The City shall have the right to use the City Parking Stalls for public parking in connection with its operation of a public park on land located adjacent to the Premises.

(b) The City shall maintain the City Parking Stalls as the City reasonably determines to be necessary.

(c) The City shall be obligated to pay all Impositions with respect to the City Parking Stalls, and shall perform and comply with all laws, rules, orders, ordinances, regulations, and requirements now or hereafter enacted or promulgated, of every sovereign, municipal or other governmental authority having jurisdiction over the City Parking Stalls, and of any agency thereof, whether or not such laws, rules, orders, ordinances, regulations, or requirements so involved shall necessitate structural changes, improvements, interference with use and enjoyment of the City Parking Stalls, replacements, or repairs, extraordinary as well as ordinary; and the City shall so perform and comply, whether or not such laws, rules, orders, ordinances, regulations, or requirements shall now exist or shall hereafter be enacted or promulgated, and whether or not such laws, rules, orders, ordinances, regulations, or requirements can be said to be within the present contemplation of the parties hereto.

21. Recordation of Lease. The parties hereto hereby agree to record this Lease or a memorandum of this Lease identifying the Premises and such other clauses therein as either party may desire.

22. No Partnership. The City shall not be deemed, in any way or for any purpose, to have become, by the execution of this Lease or any action taken under this Lease, a partner of KCLS, in KCLS's business or otherwise, or a member of any joint enterprise with KCLS.

23. No Oral Changes. This Lease may not be changed or modified orally, but only by an agreement in writing signed by both parties.

24. Bind and Inure. The terms, covenants, conditions, and agreements of this Lease shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

25. Notice. Except as otherwise provided herein, all notices, consents or other communications required hereunder shall be in writing and shall be sufficiently given if delivered by facsimile transmission with prompt telephonic confirmation of receipt, or personally by hand, or sent by nationally recognized overnight courier service, or by certified or registered mail, postage prepaid and return receipt requested, addressed as follows:

THE CITY:

City of Auburn
25 West Main Street
Auburn, Washington 98001-4998
Attention: Mayor

with concurrent copies to:

City of Auburn
25 West Main Street
Auburn, Washington 98001-4998
Attention: Director of Human Resources, Risk and Property Management

KCLS:

960 Newport Way NW
Issaquah Washington 98027
Attn: Facilities

26. Resolution of Conflicts with Annexation Agreement. This Lease is intended to clarify and amend the terms of the Annexation Agreement as it relates to the rights and obligations of KCLS and the City with respect to ownership and use of the Premises. In the event of a conflict between the terms of this Lease and the Annexation Agreement, the terms of this Lease shall control.

27. Counterparts. This Lease may be executed in counterparts, and each such counterpart shall be deemed to be an original.

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[illegible]

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the _____ of KING COUNTY RURAL LIBRARY DISTRICT, doing business as KING COUNTY LIBRARY SYSTEM, a Washington public corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____

NOTARY PUBLIC in and for the
State of _____, residing
at _____

My appointment expires:

Exhibit A to Lease

[Identification of Entryway and parking stalls to be designated as City Parking Stalls and KCLS
Parking Stalls to be added]

Exhibit B to Lease

[Legal Description to be added]